

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1760-03
Bill No.: HB 668 with HCA 1,2,3,4,5,6,7 & 8
Subject: Roads and Highways, Transportation, Transportation Dept.
Type: Original
Date: March 30, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
General Revenue*	(Unknown greater than \$166,049)	(Unknown greater than \$181,462)	(Unknown greater than \$181,462)
Total Estimated Net Effect on General Revenue Fund	(Unknown greater than \$166,049)	(Unknown greater than \$181,462)	(Unknown greater than \$181,462)

*Unknown cost is subject to appropriations and the request of the Inspector General

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Highway Fund*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

**Income and Cost for rental space are a net zero for the Highway Fund.

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Office of Administration-Budget and Planning (BAP)** assume this proposal could have substantial impact on General Revenue for the cost of the Inspector General and subsequent staff. BAP further assumes that the provisions in 226.192 allow the inspector general to request assistance from BAP and its staff. BAP assumes this could create an unknown cost for their agency to fund personnel to assist the Inspector General. **Oversight** assumes that BAP could assist the Inspector General with existing resources.

Officials with the **Department of Transportation (MoDOT)** assume this legislation would require MoDOT to provide office space for the Transportation Inspector General and staff. MoDOT hopes to locate space without incurring additional expenses. However, there could be a need to lease a facility for the Transportation Inspector General and/or any MoDOT displaced staff. The estimated costs is \$21,600 (based on an assumption of a staff of 8 people, 200 square feet per person, and \$13.50 cost per square foot of space).

Oversight assumes that the extent of personnel is not specified and is subject to appropriations. Therefore, for fiscal note purposes, **Oversight** estimates that MoDOT could incur cost for rental space for two or more persons.

ASSUMPTION (continued)

MoDOT further assumes that this legislation could allow the Transportation Inspector General to hire needed staff and MoDOT assumes that there will be significant and on-going request for information including reports and explanations of inquiries. The additional required items for discussion by the Joint Committee on Transportation Oversight in Section 21.795.4, will require more frequent reporting. Therefore, MoDOT assumes that one additional Senior Business Specialist will be needed to coordinate information requests/responses for the new Transportation Inspector General and to coordinate the additional information to be discussed by the Joint Committee on Transportation Oversight. The salary for this employee is \$44,628 with standard office equipment and expenses. **Oversight** assumes that MoDOT could handle the additional requests and reporting with existing staff.

Oversight assumes this proposal could create a position of an independent Inspector General and that the activities of the Inspector General could include investigations, complaint and contract reviews. For fiscal note purposes, **Oversight** uses the following personnel cost but notes that the full cost of the office is subject to the needs of the Inspector General and future appropriations.

Personal Service

Inspector General	\$86,868
Executive Secretary	\$33,380

FY 04-Cost (Ten Months)

Salaries (2 FTE)	\$102,712
Fringe Benefits	\$41,567
Equipment (one time)	\$10,120
Expenses	\$4,150
Travel Expenses	\$3,000
Rental Space (2 FTE*\$2,700)	<u>\$4,500</u>
Total Estimated Cost for 2 FTE	\$166,049

FY 05-Cost (no growth assumed)

Salaries (2 FTE)	\$120,248
Fringe Benefits	\$48,664
Expenses	\$4,150
Travel Expenses	\$3,000
Rental Space (2 FTE*\$2,700)	<u>\$5,400</u>
Total Estimated Cost for 2 FTE	\$181,462

ASSUMPTION (continued)

FY 06-Cost (no growth assumed)

Salaries (2 FTE)	\$120,248
Fringe Benefits	\$48,664
Expenses	\$4,150
Travel Expenses	\$3,000
Rental Space (2 FTE*\$2,000)	<u>\$5,400</u>
Total Estimated Cost for 2 FTE	\$181,462

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
GENERAL REVENUE			
<u>Cost - Inspector General's Office</u>			
Personal Service for 2 FTE (Inspector General and Executive Secretary)	(Unknown greater than \$102,712)	(Unknown greater than \$120,248)	(Unknown greater than \$120,248)
Fringe Benefits	(Unknown greater than \$41,567)	(Unknown greater than \$48,664)	(Unknown greater than \$48,664)
Expense and Equipment	(Unknown greater than \$17,270)	(Unknown greater than \$7,150)	(Unknown greater than \$7,150)
Reimburse Highway Fund for rental space (2 FTE)	<u>(Unknown greater than \$4,500)</u>	<u>(Unknown greater than \$5,400)</u>	<u>(Unknown greater than \$5,400)</u>
<u>Total Cost*</u>	<u>(Unknown greater than \$166,049)</u>	<u>(Unknown greater than \$181,462)</u>	<u>(Unknown greater than \$181,462)</u>
NET ESTIMATED EFFECT ON GENERAL REVENUE	<u>(Unknown greater than \$166,049)</u>	<u>(Unknown greater than \$181,462)</u>	<u>(Unknown greater than \$181,462)</u>

*Unknown cost is subject to appropriations and the request of the Inspector General.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
HIGHWAY FUND			
<u>Income-Department of Transportation</u>			
Reimbursement for rent space (2 FTE)**	Unknown greater than \$4,500	Unknown greater than \$5,400	Unknown greater than \$5,400
<u>Cost-Department of Transportation</u>			
Rental space (2 FTE)**	(Unknown greater than \$4,500)	(Unknown greater than \$5,400)	(Unknown greater than \$5,400)
NET ESTIMATED EFFECT ON HIGHWAY FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Unknown cost and income for rental space is subject to appropriations for the number of employees in the Inspector General's office.

<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal enacts various accountability measures for the operation of the Department of Transportation. These measures include a new Inspector General position and a provision for MoDOT to supply rental space.

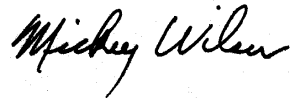
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This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements

Additional rental space could be needed.

SOURCES OF INFORMATION

Department of Revenue
Department of Transportation

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
March 30, 2003